

Flexible Grant Program Vital to Community Development

Washington, DC □ Congresswoman Linda Sanchez (CA-39) testified in front of the United States House of Representatives Committee on the Budget today. Her testimony focused on the cuts to the Community Development Block Grants program laid out in President Bush's 2006 Budget and their effect on communities in her district. Below is the full text of the testimony.

"I would like to thank Chairman Nussle and Ranking Member Spratt for allowing us to speak today.

I'm going to talk today about an issue that transcends community and party boundaries □ the possible gutting of Community Development Block Grants in the President's 2006 Budget.

Community Development Block Grants can be used for a seemingly endless variety of projects aimed at improving the quality of life in needy areas around our country. Let me share with you stories and statistics from cities that will be affected by CDBG cuts.

One of the cities that has expressed great concern over the loss of funding is the City of La Mirada. Mayor Susan Tripp took the time to explain to me just how much her city would be injured.

The pride of La Mirada is the Community Senior Center, which was completed in 2001. More than \$1.8 million of the center's \$3.2 million cost came from Community Development Block Grants. That's more than half. The Senior Center now serves as a hub where La Mirada's large elderly population benefits from computer literacy classes, nutrition programs, and health screenings. Without CDBG funding the construction could have been delayed for years.

La Mirada also uses CDBG funding to enact a loan program for needy families. The repayment of the principal and the interest is then put back into the loan system. There are more than 1 million dollars circulating in this loan program □ creating and sustaining opportunity.

In the City of Whittier, in my district, CDBG monies are used to fund the Salvation Army, the Interfaith Food Center, the Southeast Area Social Services Funding Authority, and the Social Service Commission Scholarship Program. These programs fund an emergency shelter, food for low income families, services for seniors, and recreational scholarships for needy children. The total cost to do all of this in Whittier with CDBG funds is less than \$65,000. I honestly can not imagine a more efficient use of federal money.

In the final city I would like to talk about, Long Beach, California, I believe the numbers speak for themselves on what an impact CDBG has for the community.

" Long Beach received \$10.6 million for Fiscal Year '04-05.

" The money was used to remove 109,000 graffiti tags from more than 34,000 sites.

" It was used to improve more than 1,200 housing units.

" It was used to provide services for 23,000 homeless persons.

" And, I think most impressively, CDBG funds were used to serve 95,031 youth with after school and weekend recreation activities.

I hope that I have helped demonstrate to the Committee here today that these funds play an enormous and important role in the day to day survival and success of our cities.

I would like to close with a quote from a local official:

"A key priority of this Administration is stimulating the domestic economy by creating jobs and expanding home ownership. One of the best tools that mayors of cities across America use to achieve these and other important goals is the Community Development Block Grant program. At a time when city budgets are severely challenged and have significant community and economic development needs, this cut and realignment will have a devastating impact on local governments' ability to provide resources to those communities and neighborhoods most in need."

This quote eloquently captures the vital nature of CDBG programs in our cities. Mr. Chairman, this quote did not come from a Democratic Colleague or anyone here in Washington. It is from The Mayor of Long Beach, California, and Vice President of the U.S. Conference of Mayors, Beverly O'Neill – a local leader who will feel the effects of these cuts.

Mr. Chairman, Community Development Block Grants work and they are efficient. They are supported across the board by local community leaders regardless of party affiliation. I strongly urge that CDBG funding be kept at the current level and that it be kept as a separate and distinct program.

I thank the Committee for its time."